

SHB 1250 - S AMD 322  
By Senator Fraser

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 43.185.050 and 2006 c 371 s 236 are each amended to  
4 read as follows:

5 (1) The department shall use moneys from the housing trust fund and  
6 other legislative appropriations to finance in whole or in part any  
7 loans or grant projects that will provide housing for persons and  
8 families with special housing needs and with incomes at or below fifty  
9 percent of the median family income for the county or standard  
10 metropolitan statistical area where the project is located. At least  
11 thirty percent of these moneys used in any given funding cycle shall be  
12 for the benefit of projects located in rural areas of the state as  
13 defined by the department. If the department determines that it has  
14 not received an adequate number of suitable applications for rural  
15 projects during any given funding cycle, the department may allocate  
16 unused moneys for projects in nonrural areas of the state.

17 (2) Activities eligible for assistance from the housing trust fund  
18 and other legislative appropriations include, but are not limited to:

19 (a) New construction, rehabilitation, or acquisition of low and  
20 very low-income housing units;

21 (b) Rent subsidies;

22 (c) Matching funds for social services directly related to  
23 providing housing for special-need tenants in assisted projects;

24 (d) Technical assistance, design and finance services and  
25 consultation, and administrative costs for eligible nonprofit community  
26 or neighborhood-based organizations;

27 (e) Administrative costs for housing assistance groups or  
28 organizations when such grant or loan will substantially increase the  
29 recipient's access to housing funds other than those available under  
30 this chapter;

1 (f) Shelters and related services for the homeless, including  
2 emergency shelters and overnight youth shelters;

3 (g) Mortgage subsidies, including temporary rental and mortgage  
4 payment subsidies to prevent homelessness;

5 (h) Mortgage insurance guarantee or payments for eligible projects;

6 (i) Down payment or closing cost assistance for eligible first-time  
7 home buyers;

8 (j) Acquisition of housing units for the purpose of preservation as  
9 low-income or very low-income housing;

10 (k) Projects making housing more accessible to families with  
11 members who have disabilities; and

12 (l) During the 2005-2007 fiscal biennium, a manufactured/mobile  
13 home landlord-tenant ombudsman conflict resolution and park  
14 registration program.

15 (3) During the 2005-2007 fiscal biennium, revenues generated under  
16 RCW 36.22.178 may be used for the development of affordable housing  
17 projects and other activities funded in section 108, chapter 371, Laws  
18 of 2006.

19 (4) Legislative appropriations from capital bond proceeds may be  
20 used only for the costs of projects authorized under subsection (2)(a),  
21 (i), and (j) of this section, and ~~((not for the administrative costs of~~  
22 ~~the department)) for department costs directly related to project  
23 application, review, selection, contracting, and project development,  
24 as specified in the omnibus capital appropriations act. Legislative  
25 appropriations from capital bond proceeds may not be used for loans if  
26 the appropriations are also obligated for other grants or loans or if  
27 the anticipated repayment of the loan is from future state legislative  
28 appropriations.~~

29 (5) Moneys from repayment of loans from appropriations from capital  
30 bond proceeds may be used for all activities necessary for the proper  
31 functioning of the housing assistance program except for activities  
32 authorized under subsection (2)(b) and (c) of this section.

33 ~~((6) Administrative costs of the department shall not exceed five~~  
34 ~~percent of the annual funds available for the housing assistance~~  
35 ~~program.))~~

36 **Sec. 2.** RCW 43.185.070 and 2005 c 518 s 1802 and 2005 c 219 s 2  
37 are each reenacted and amended to read as follows:

1 (1) During each calendar year in which funds from the housing trust  
2 fund or other legislative appropriations are available for use by the  
3 department for the housing assistance program, the department shall  
4 announce to all known interested parties, and through major media  
5 throughout the state, a grant and loan application period of at least  
6 ninety days' duration. This announcement shall be made as often as the  
7 director deems appropriate for proper utilization of resources. The  
8 department shall then promptly grant as many applications as will  
9 utilize available funds less appropriate administrative costs of the  
10 department. (~~Administrative costs paid out of the housing trust fund  
11 may not exceed five percent of annual revenues available for  
12 distribution to housing trust fund projects.~~) In awarding funds under  
13 this chapter, the department shall provide for a geographic  
14 distribution on a statewide basis.

15 (2) The department shall give first priority to applications for  
16 projects and activities which utilize existing privately owned housing  
17 stock including privately owned housing stock purchased by nonprofit  
18 public development authorities and public housing authorities as  
19 created in chapter 35.82 RCW. As used in this subsection, privately  
20 owned housing stock includes housing that is acquired by a federal  
21 agency through a default on the mortgage by the private owner. Such  
22 projects and activities shall be evaluated under subsection (3) of this  
23 section. Second priority shall be given to activities and projects  
24 which utilize existing publicly owned housing stock. All projects and  
25 activities shall be evaluated by some or all of the criteria under  
26 subsection (3) of this section, and similar projects and activities  
27 shall be evaluated under the same criteria.

28 (3) The department shall give preference for applications based on  
29 some or all of the criteria under this subsection, and similar projects  
30 and activities shall be evaluated under the same criteria:

31 (a) The degree of leveraging of other funds that will occur;

32 (b) The degree of commitment from programs to provide necessary  
33 habilitation and support services for projects focusing on special  
34 needs populations;

35 (c) Recipient contributions to total project costs, including  
36 allied contributions from other sources such as professional, craft and  
37 trade services, and lender interest rate subsidies;

1 (d) Local government project contributions in the form of  
2 infrastructure improvements, and others;

3 (e) Projects that encourage ownership, management, and other  
4 project-related responsibility opportunities;

5 (f) Projects that demonstrate a strong probability of serving the  
6 original target group or income level for a period of at least twenty-  
7 five years;

8 (g) The applicant has the demonstrated ability, stability and  
9 resources to implement the project;

10 (h) Projects which demonstrate serving the greatest need;

11 (i) Projects that provide housing for persons and families with the  
12 lowest incomes;

13 (j) Projects serving special needs populations which are under  
14 statutory mandate to develop community housing;

15 (k) Project location and access to employment centers in the region  
16 or area;

17 (l) Projects that provide employment and training opportunities for  
18 disadvantaged youth under a youthbuild or youthbuild-type program as  
19 defined in RCW 50.72.020; and

20 (m) Project location and access to available public transportation  
21 services.

22 (4) The department shall only approve applications for projects for  
23 (~~mentally ill~~) persons with mental illnesses that are consistent with  
24 a regional support network six-year capital and operating plan.

25 **Sec. 3.** RCW 43.185A.030 and 2005 c 518 s 1803 and 2005 c 219 s 3  
26 are each reenacted and amended to read as follows:

27 (1) Using moneys specifically appropriated for such purpose, the  
28 department shall finance in whole or in part projects that will provide  
29 housing for low-income households.

30 (2) Activities eligible for assistance include, but are not limited  
31 to:

32 (a) New construction, rehabilitation, or acquisition of housing for  
33 low-income households;

34 (b) Rent subsidies in new construction or rehabilitated multifamily  
35 units;

36 (c) Down payment or closing costs assistance for first-time home  
37 buyers;

1 (d) Mortgage subsidies for new construction or rehabilitation of  
2 eligible multifamily units; and

3 (e) Mortgage insurance guarantee or payments for eligible projects.

4 (3) Legislative appropriations from capital bond proceeds may be  
5 used only for the costs of projects authorized under subsection (2)  
6 (a), (c), (d), and (e) of this section, and ~~((not for the~~  
7 ~~administrative costs of the department))~~ for department costs directly  
8 related to project application, review, selection, contracting, and  
9 project development, as specified in the omnibus capital appropriations  
10 act. Legislative appropriations from capital bond proceeds may not be  
11 used for loans if the appropriations are also obligated for other  
12 grants or loans or if the anticipated repayment of the loan is from  
13 future state legislative appropriations.

14 (4) Moneys from repayment of loans from appropriations from capital  
15 bond proceeds may be used for all activities necessary for the proper  
16 functioning of the affordable housing program except for activities  
17 authorized under subsection (2)(b) of this section.

18 ~~((5) Administrative costs of the department shall not exceed five~~  
19 ~~percent of the annual funds available for the affordable housing~~  
20 ~~program.))"~~

**SHB 1250** - S AMD

By Senator

21 On page 1, line 3 of the title, after "development;" strike the  
22 remainder of the title and insert "amending RCW 43.185.050; and  
23 reenacting and amending RCW 43.185.070 and 43.185A.030."

**EFFECT:** Prohibits the use of state bond appropriations for the  
housing trust fund for making loans if the appropriations from which  
the loans are made are also obligated for other grants or loans or the

repayment of the loans depends upon future appropriations.

--- END ---